

**UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO**

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et al.*,

Debtors.¹

PROMESA

Title III

No. 17 BK 3283-LTS

(Jointly Administered)

**Re: ECF Nos. 21616, 21835,
21858**

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE PUERTO RICO HIGHWAYS AND
TRANSPORTATION AUTHORITY,

Debtor.

PROMESA

Title III

No. 17 BK 3567-LTS

**Re: ECF Nos. 1293, 1377, &
1387**

**DEBTOR’S INFORMATIVE MOTION REGARDING PROPOSED REVISIONS TO
(I) FIFTH AMENDED TITLE III PLAN OF ADJUSTMENT OF THE PUERTO RICO
HIGHWAYS AND TRANSPORTATION AUTHORITY, AND (II) PROPOSED
FINDINGS OF FACT AND CONCLUSIONS OF LAW IN CONNECTION WITH
CONFIRMATION OF THE FIFTH AMENDED TITLE III PLAN OF ADJUSTMENT
OF THE PUERTO RICO HIGHWAYS AND TRANSPORTATION AUTHORITY**

¹ The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority (“PBA”) (Bankruptcy Case No. 19-BK-5523-LTS) (Last Four Digits of Federal Tax ID: 3801). Title III case numbers are listed as Bankruptcy Case numbers due to software limitations.

To the Honorable United States District Court Judge Laura Taylor Swain:

The Financial Oversight and Management Board for Puerto Rico (the “Oversight Board”), as sole Title III representative of the Puerto Rico Highways and Transportation Authority (“HTA” or the “Debtor”), pursuant to Section 315(b) of the *Puerto Rico Oversight, Management, and Economic Stability Act* (“PROMESA”),² respectfully states as follows:

1. At the August 17, 2022 hearing (the “HTA Confirmation Hearing”) to consider confirmation of the *Fifth Amended Title III Plan of Adjustment of the Puerto Rico Highways and Transportation Authority* [ECF No. 1377 in Case No. 17-3567] (the “HTA Plan”), the Oversight Board proposed a modification to Section 1.10 of the HTA Plan to resolve *Finca Matilde’s Objection to Confirmation of Third Amended Title III Plan of Adjustment of the Puerto Rico Highways and Transportation Authority* [ECF No. 1293 in Case No. 17-3567]. For the Court’s convenience, below is the language of such proposed modification:

1.10 **Allowed:** Notwithstanding anything to the contrary herein, (x) Claims allowed solely for the purpose of voting to accept or reject the HTA Plan pursuant to an order of the Title III Court shall not be considered “Allowed” hereunder unless otherwise specified herein or by order of the Title III Court, (y) for any purpose under the HTA Plan, except with respect to amounts that are determined by a Final Order to be just compensation attributable in connection with the allowance of an Eminent Domain/Inverse Condemnation Claim and treatment thereof pursuant to the terms and provisions of Section 19.1 hereof, “Allowed” shall not include interest, penalties, or late charges arising from or relating to the period from and after the HTA Petition Date, and (z) “Allowed” shall not include any Claim subject to disallowance in accordance with section 502(d) of the Bankruptcy Code.

2. The Oversight Board also proposes the following revision to the proposed *Findings of Fact and Conclusions of Law in Connection with Confirmation of the Fifth Amended Title III*

² PROMESA is codified at 48 U.S.C. §§ 2101–2241.

Plan of Adjustment of Puerto Rico Highways and Transportation Authority [ECF No. 1387 in Case No. 17-3567] (the “Proposed FFCL”) to correct certain scrivener’s errors:

Decretal Paragraphs 42 and 103:

. . . . If the United States Supreme Court reverses this portion of the Commonwealth Confirmation Order and Commonwealth Findings of Fact and Conclusions of Law, the HTA Plan provides that the Eminent Domain/Inverse Condemnation Claims will receive payments from HTA equal to, and on the same timeframe as, the payments to be made to holders of Allowed HTA General Unsecured Claims ~~entitled to the same treatment as other holders of HTA General Unsecured Claims~~ to the extent each allowable Claim exceeds the cash on deposit for it.

3. The Oversight Board is available to file a revised HTA Plan and Proposed FFCL incorporating such revisions, if the Court so requires.

[Remainder of Page Left Intentionally Blank]

WHEREFORE the Oversight Board respectfully requests that the Court take notice of the foregoing.

Dated: August 18, 2022
San Juan, Puerto Rico

Respectfully submitted,

/s/ Brian S. Rosen

Martin J. Bienenstock
Brian. S. Rosen
Jeffrey W. Levitan
(Admission *Pro Hac Vice*)
PROSKAUER ROSE LLP
Eleven Times Square
New York, NY 10036
Tel: (212) 969-3000
Fax: (212) 969-2900

*Attorneys for the Financial Oversight and
Management Board as representative for the
Debtor*

/s/ Hermann D. Bauer

Hermann D. Bauer
O'NEILL & BORGES LLC
250 Muñoz Rivera Ave., Suite 800
San Juan, PR 00918-1813
Telephone: (787) 764-8181
Facsimile: (787) 753-8944

*Co-Attorneys for the Financial Oversight and
Management Board as representative for the
Debtor*